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*Attorneys for Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

**In re:**

**PG&E CORPORATION,**

**- and -**

**PACIFIC GAS AND ELECTRIC  
COMPANY,**

**Debtors.**

- ☐ Affects PG&E Corporation  
☒ Affects Pacific Gas and Electric  
Company  
☐ Affects both Debtors

*\* All papers shall be filed in the Lead  
Case, No. 19-30088 (DM).*

Case No. 19-30088 (DM)  
Chapter 11  
(Lead Case) (Jointly Administered)

**DECLARATION OF KELLY J. LACK IN  
SUPPORT OF DEBTOR'S MOTION PURSUANT  
TO FED. R. BANKR. P. 4001(d) TO APPROVE  
STIPULATION FOR ADEQUATE  
PROTECTION OF SETOFF RIGHTS OF  
IMERYS FILTRATION MINERALS, INC.**

**Objection Deadline:** April 22, 2020  
4:00 pm (Pacific Time)

**No hearing requested absent timely objection. If  
timely objection is filed, hearing reserved for:**

Date: May 12, 2020  
Time: 10:00 a.m. (Pacific Time)  
Place: United States Bankruptcy Court  
Courtroom 17, 16th Floor  
San Francisco, CA 94102

1 I, Kelly J. Lack, hereby declare under penalty of perjury pursuant to section 1746 of title 28  
2 of the United States Code that the following is true and correct to the best of my knowledge,  
3 information, and belief:

4 1. I am attorney licensed to practice law in the State of California. I am Senior Counsel  
5 at Pacific Gas and Electric Company, and am authorized to make this Declaration in that capacity.

6 2. I file this Declaration in support of the Utility's<sup>1</sup> *Motion Pursuant to Fed. R. Bankr.*  
7 *P. 4001(d) to Approve Stipulation for Adequate Protection of Setoff Rights of Imerys Filtration*  
8 *Minerals, Inc.* (the "**Motion**"). I have personal knowledge of the facts set forth herein, except as to  
9 those stated on information and belief, and, as to those, I am informed and believe them to be true.  
10 If called upon to do so, I could and would testify competently thereto.

11 3. I am informed and believe as follows: Imerys is a supplier of engineered mineral  
12 products derived from diatomite and expanded perlite, natural raw materials possessing unusually  
13 light density, chemical inertness, high surface area and intricate structure. The Utility provides  
14 electrical service to Imerys' facilities in California. Imerys alleges that in November 2016, the  
15 Utility failed to exercise reasonable diligence in making representations regarding its ability to  
16 maintain peak electric capacity at certain facilities operated by Imerys in Lompoc, California, while  
17 the Utility was making improvements to the primary and backup electric lines to those facilities.

18 4. The Stipulation obviates the need for Imerys to make a formal motion for relief from  
19 the automatic stay to obtain adequate protection of the Setoff Right, which saves the Utility the time  
20 and cost burden of additional litigation.

21 5. For this reason, the Stipulation provides material benefits to the Debtor and its estate  
22 at little cost, has been authorized by the Debtor in the exercise of its business judgment, and is in the  
23 best interest of the Debtor, its estate, and its creditors.

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26  
27 <sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the  
28 Motion.

1 Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and  
2 correct. Executed in San Francisco, California this 31st day of March, 2020.

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4 Kelly J. Lack  
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